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Hearing Date: December 6, 2007 at 10:00 a.m.
Objection Deadline: December 5, 2007 at 4:00 p.m.

- and -

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Attorneys for Caspian Capital Advisors,
LLC; Castlerigg Master Investments Ltd.;
CR Intrinsic Investors, LLC; Davidson
Kempner Capital Management LLC; Elliott
Associates, L.P.; Everest Capital Limited;
Nomura Corporate Research & Asset
Management, Inc; Northeast Investors Trust;
Sailfish Capital Partners, LLC; and Whitebox
Advisors, LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:
	:
DELPHI CORPORATION, <u>et al.</u> ,	:
	:
Debtors.	:
-----X	

Chapter 11
Case No. 05-44481 (RDD)
(Jointly Administered)

**SECOND SUPPLEMENTAL OBJECTION OF CASPIAN CAPITAL ADVISORS, LLC;
CASTLERIGG MASTER INVESTMENTS LTD.; CR INTRINSIC INVESTORS, LLC;
DAVIDSON KEMPNER CAPITAL MANAGEMENT LLC; ELLIOTT ASSOCIATES, L.P.;
EVEREST CAPITAL LIMITED; NOMURA CORPORATE RESEARCH & ASSET
MANAGEMENT, INC.; NORTHEAST INVESTORS TRUST; SAILFISH CAPITAL PARTNERS,
LLC; AND WHITEBOX ADVISORS, LLC TO MOTION TO APPROVE (A) PROPOSED
DISCLOSURE STATEMENT WITH RESPECT TO JOINT PLAN OF REORGANIZATION OF
DELPHI CORPORATION AND CERTAIN AFFILIATES, DEBTORS AND DEBTORS-IN-
POSSESSION, AND (B) MOTION FOR ORDER APPROVING (I) DISCLOSURE STATEMENT,
(II) RECORD DATE, VOTING DEADLINE, AND PROCEDURES FOR TEMPORARY
ALLOWANCE OF CERTAIN CLAIMS, (III) HEARING DATE TO CONSIDER
CONFIRMATION OF PLAN, (IV) PROCEDURES FOR FILING OBJECTIONS TO PLAN, (V)
SOLICITATION PROCEDURES FOR VOTING ON PLAN, (VI) CURE CLAIM PROCEDURES,
(VII) PROCEDURES FOR RESOLVING DISPUTES RELATING TO POSTPETITION
INTEREST, AND (VIII) RECLAMATION CLAIM PROCEDURES**

TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE:

Caspian Capital Advisors, LLC; Castlerigg Master Investments Ltd.; CR Intrinsic Investors, LLC; Davidson Kempner Capital Management LLC; Elliott Associates, L.P.; Everest Capital Limited; Nomura Corporate Research & Asset Management, Inc; Northeast Investors Trust; Sailfish Capital Partners, LLC; and Whitebox Advisors, LLC or any respective affiliates thereof or funds and accounts directly managed by each of the foregoing (each, a “Creditor”), each in their individual capacity as a Creditor of Delphi Corporation (together with certain of its debtor affiliates and subsidiaries, collectively the “Debtors”), by and through their counsel, Goodwin Procter LLP, as and for this second supplemental objection (this “Second Supplemental Objection”) to the Disclosure Statement with Respect to the Joint Plan of Reorganization of Delphi Corporation and Certain Affiliates, Debtors and Debtors-in-Possession [Docket No. 9264], and the Motion For Order Approving (I) Disclosure Statement, (II) Record Date, Voting Deadline, and Procedures for Temporary Allowance of Certain Claims, (III) Hearing Date to Consider Confirmation of Plan, (IV) Procedures for Filing Objections to Plan, (V) Solicitation Procedures for Voting on Plan, (VI) Cure Claim Procedures, (VII) Procedures for Resolving Disputes Relating to Postpetition Interest, and (VIII) Reclamation Claim Procedures [Docket No. 9266] (the “Disclosure Statement Motion”) respectfully states as follows:

OBJECTION

1. As stated in the Supplemental and Restated Objection of Caspian Capital Advisors, LLC; Castlerigg Master Investments Ltd.; CR Intrinsic Investors, LLC; Davidson Kempner Capital Management LLC; Elliott Associates, L.P.; Nomura Corporate Research & Asset Management, Inc.; Sailfish Capital Partners, LLC; and Whitebox Advisors, LLC to Motion

to Approve (A) Proposed Disclosure Statement with Respect to Joint Plan of Reorganization of Delphi Corporation and Certain Affiliates, Debtors and Debtors-In-Possession, and (B) Motion for Order Approving (I) Disclosure Statement, (II) Record Date, Voting Deadline, and Procedures for Temporary Allowance of Certain Claims, (III) Hearing Date to Consider Confirmation of Plan, (IV) Procedures for Filing Objections to Plan, (V) Solicitation Procedures for Voting on Plan, (VI) Cure Claim Procedures, (VII) Procedures for Resolving Disputes Relating to Postpetition Interest, and (VIII) Reclamation Claim Procedures [Docket No. 11045] (the “Supplemental and Restated Objection”), which is hereby incorporated by reference,¹ the Disclosure Statement should not be approved because the Plan contains a patently nonconfirmable classification scheme that (i) classifies dissimilar claims in the same class in violation of Section 1122(a) of the Bankruptcy Code and (ii) provides different treatment to claims classified together within a single class in violation of Section 1123(a)(4) of the Bankruptcy Code.²

2. Additionally, as discussed in the Supplemental and Restated Objection, the Plan cannot be confirmed because (i) it does not enforce the subordination agreement between the Senior Notes and TOPrS thereby violating Section 510(a) of the Bankruptcy Code; and (ii) it is premised on an impermissible “deemed consolidation” for voting and distribution purposes only, and the Debtors will be unable to meet their burden of proof for substantive consolidation. None of these issues have been addressed by the most recent amendment to the Disclosure Statement filed by the Debtors on December 3, 2007.

¹ Everest Capital Limited and Northeast Investors Trust hereby join in and adopt the Supplemental and Restated Objection as if they were originally parties thereto.

² Capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the Disclosure Statement.

3. Although the Debtors have attempted to provide more fulsome disclosure regarding several aspects of the Plan, the information in the current proposed Disclosure Statement remains wholly inadequate to enable creditors to make an informed judgment about the Plan as required by 11 U.S.C. § 1125. Each Creditor continues to object to the revised Disclosure Statement for substantially the same reasons noted in the Supplemental and Restated Objection, including (i) the lack of fair and adequate disclosure on the implications of the value of the New Common Stock and the range of recoveries afforded to General Unsecured Creditors under the Plan; (ii) the lack of adequate information contained in the valuation analysis; (iii) the lack of disclosure on the economic interests and involvement of the Plan Investors and GM in “negotiating” the Plan; (iv) the lack of adequate disclosure on the Plan’s Proposed treatment of intercreditor rights; (v) the lack of adequate information on the potential impact to creditors of the Debtors’ present lack of committed exit financing; (vi) the lack of disclosure regarding substantive consolidation; the lack of disclosure on the GM claim; (vii) the lack of adequate information on releases under the Plan; and (viii) the lack of adequate information on the MDL Settlements.

4. Each Creditor hereby expressly reserves all rights to raise any and all objections concerning the Disclosure Statement and any subsequent amendments thereto, whether or not raised herein, including but not limited to the right to supplement this Second Supplemental Objection, at or before any other date on which objections relating to the Disclosure Statement Motion will be heard. Additionally, each Creditor expressly reserves its rights to object to certain terms of the proposed order approving the Motion and the Disclosure Statement and solicitation procedures at the hearing to consider the Disclosure Statement, including without limitation regarding the proposed scheduling of new dates and deadlines in connection with

confirmation, as well as any changes to the Plan or Disclosure statement provided to each Creditor after the date of this Objection.

5. Further, each Creditor expressly reserves its rights to oppose confirmation of the Plan or any subsequent plan of reorganization proposed on these Cases on any grounds, including issues not expressly raised herein.

WAIVER OF MEMORANDUM OF LAW

70. Because this objection presents no novel issues of law and the authorities relied upon are set forth herein, each Creditor respectfully (i) requests that the Court waive the requirement of filing a separate memorandum of law in support of this Objection pursuant to L.B.R. 9013-1(b), and (ii) reserves its right to file a brief in reply to any response to this Objection.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, each Creditor respectfully requests that this Court (a) either (1) deny approval of the Disclosure Statement and the Motion or (2) condition approval of the Disclosure Statement and the Motion on modification of the Plan, Disclosure Statement, and Motion to address the issues raised herein and the inclusion in the Disclosure Statement of the additional information sought herein and (b) grant such other relief as the Court deems just and proper.

Dated: New York, New York
December 5, 2007

GOODWIN PROCTER LLP

By: /s/ Allan S. Brilliant
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